

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

ANITA G. FOX, DIRECTOR
OF THE DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES,

Petitioner,

Case No. 15-948-CR

v

HON. JAMES S. JAMO

CONSUMERS MUTUAL INSURANCE
OF MICHIGAN,

[IN LIQUIDATION]

Respondent.

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**ORDER GRANTING LIQUIDATOR'S VERIFIED MOTION TO
TERMINATE LIQUIDATION, APPROVE THE ACTIONS OF THE
LIQUIDATOR, DISCHARGE THE LIQUIDATOR, CLOSE THE CASE,
AND FOR RELATED RELIEF**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan on the
26 day of January, 2022.

PRESENT: HONORABLE JAMES S. JAMO, CIRCUIT COURT JUDGE

WHEREAS, Petitioner Anita G. Fox, Director of the Michigan Department of Insurance and Financial Services (“DIFS”) and statutory and Court-appointed Liquidator (the “Liquidator”) of Consumers Mutual Insurance of Michigan (“Consumers Mutual”), has filed a Verified Motion to Terminate Liquidation, Approve the Actions of the Liquidator, Discharge the Liquidator, Close the Case, and for Related Relief (the “Verified Motion”); and

WHEREAS, the Court has reviewed the Verified Motion and any objections or responses filed thereto, together with the terms of this Order that was attached to the Verified Motion as Exhibit C; and

WHEREAS, the Court finding that pursuant to MCL 500.8146(1), it is appropriate for this Court to grant the discharge of the Liquidator and to make other appropriate orders; and

WHEREAS, the Court having heard oral argument on the Verified Motion on Wednesday, January 26, 2022, at 4:00 p.m., and being otherwise fully advised;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Court GRANTS the Verified Motion, the liquidation of Consumers Mutual is terminated, the Liquidator is discharged, and this case and the Consumers Mutual liquidation estate are closed.

2. All actions taken or not taken by the Liquidator, including as the former Rehabilitator of Consumers Mutual (collectively, the “Liquidator”), and by her Special Deputy Liquidators, including as the former Special Deputy Rehabilitators of Consumers Mutual (collectively, the “Deputy Liquidators”),

together with their representatives, agents, accountants, attorneys, successors, predecessors, officers, directors, and assigns throughout the liquidation and/or prior rehabilitation (collectively, the “Receivership”) of Consumers Mutual are approved, and such actions taken or not taken have been properly executed and have met the requirements of Chapter 81 of the Insurance Code of 1956 (“Chapter 81”), MCL 500.8101 – 500.8159, and the laws of the State of Michigan in general, as ascertained by and reviewed by this Court through the date of this Order.

3. Because the Court agrees that it would be uneconomic to make an additional distribution of the liquidation estate’s limited remaining assets, the Liquidator is authorized to promptly and irrevocably transfer to DIFS—as payment for its Class 1 unreimbursed expenses of administering the Consumers Mutual liquidation estate—the balance of the \$26,380 in cash reserves remaining after payment of all administrative expenses to close the estate.

4. If the Liquidator recovers additional Consumers Mutual assets after the date of this Order, the Court approves the Liquidator’s plan to determine whether the additional recovery either: (a) warrants further distributions to the Internal Revenue Service (“IRS”) and the Centers for Medicare and Medicaid Services (“CMS”) on the unpaid amount of their allowed Class 3 claims; or (b) would be uneconomic to distribute, such that after notice to the IRS and CMS and barring any objections, the Liquidator will transfer these additional assets to DIFS as reimbursement for its unpaid Class 1 administrative expenses.

5. The Liquidator and her Deputy Liquidators, representatives, agents, accountants, attorneys, successors, predecessors, officers, directors, and assigns, both past and present, are fully, finally, and unconditionally discharged and released from any duties, obligations, claims, and liabilities relating to or arising out of the Receivership of Consumers Mutual.

6. All claims and causes of action against the Liquidator and her Deputy Liquidators, representatives, agents, accountants, attorneys, successors, predecessors, officers, directors, and assigns, both past and present, for any and all actions taken or not taken throughout the Receivership of Consumers Mutual are completely and forever barred, and from and after entry of this Order terminating the liquidation, these parties shall have no further responsibility, obligations, or liability under Chapter 81 or the laws of the State of Michigan with respect to any matter relating to or arising out of the Receivership of Consumers Mutual.

7. No further reports regarding Consumers Mutual are required of the Liquidator to any person or entity, including but not limited to reports to this Court and reports to DIFS.

8. The Liquidator is authorized to destroy Consumers Mutual documents on a rolling, yearly basis, such that every year all documents more than seven (7) years old will be destroyed unless their retention is otherwise required by law, without further request to this Court by the Liquidator and without further review or order of this Court.

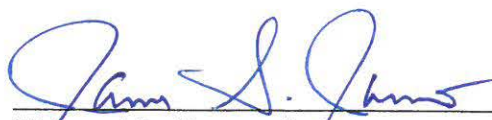
9. By operation of law pursuant to MCL 500.8120, the corporate existence of Consumers Mutual is dissolved effective on the date of this Order.

10. Because the Liquidator has determined that there are no remaining individuals or entities having a particular interest in the Verified Motion that would warrant their personal service, and because personally serving the Verified Motion, the Notice of Hearing, and any resulting Order on individuals or entities that may have a general interest in the Consumers Mutual liquidation would be time-intensive and prohibitively costly to the liquidation estate, the Court authorizes, approves, and/or ratifies the Liquidator's service of the Verified Motion, the Notice of Hearing, and this Order on any potentially interested individuals or entities by posting electronic copies on the DIFS website, www.michigan.gov/difs, under the section "Who We Regulate," the subsection "Receiverships," and the subsection "Consumers Mutual Ins. of Michigan."

The Court finds that service in this manner is reasonably calculated to give any potentially interested individuals or entities actual notice of these proceedings and is otherwise reasonable under the circumstances.

IT IS SO ORDERED.

This Order resolves the last pending claim and closes the case.



Honorable James S. Jamo
30th Circuit Court Judge